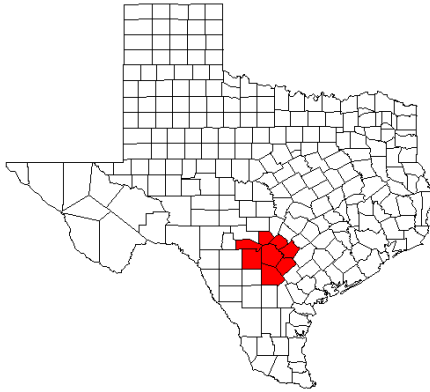


Payday and Auto Title Lending in Texas

San Antonio MSA 2016

San Antonio-New Braunfels

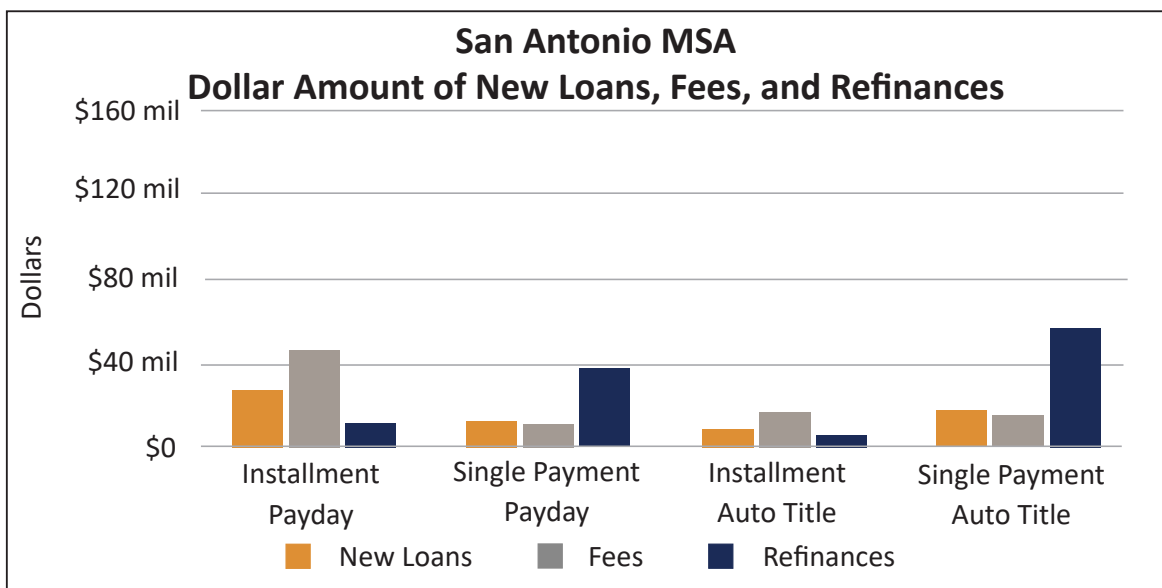


- **Store Locations:** 171
- **New Loans:** \$66,114,453
- **Fee Charges:** \$89,553,672
- **Refinances:** \$111,388,707
- **Repossessions (Auto Title):** 2,220 or 43 cars per week
- **Repossession Rate:** 15% of borrowers had car repossessed

Refinances and High Fees Continue to Drive Costs

Payday and auto title businesses in Texas offer two main loan types: single payment loans, due in full in 2 weeks or 1 month, and installment loans, due in a series of payments over a period of up to 6 months. Longer loan terms mean installment loans have fewer refinances, but even higher fees. **Fees for one installment loan are often the same as fees charged for 5 to 12 single payment loans.**

- **In the San Antonio MSA, refinances make up 69% of single payment loan transactions.**
- **On average, installment borrowers paid \$275 for every \$100 borrowed.**
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$577 to \$1,399. For borrowers who refinance, the average cost to repay a \$500 loan can reach over \$3,000.** Average APRs for payday and auto title loans in the San Antonio MSA range from 188% to 548% (see table on back).



Payday and Auto Title Lending in Texas

San Antonio MSA at a Glance: Profile of Loan Terms and Repayment, \$500 Loan

	Installment Payday	Single Payment Payday	Installment Auto Title	Single Payment Auto Title
Average Loan Term (Days)	167	16	161	30
Average Fees per \$100	\$175.13	\$23.60	\$103.06	\$14.63
Ave. Annual Percentage Rate (APR)	544%	548%	351%	188%
Amount Repaid with No Refinances	\$1,398.52	\$620.20	\$1,037.42	\$577.31
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	5.62%	57.17%	13.03%	46.63%
Average Refinances per Borrower	3.57	6.25	4.15	6.64
Amount Repaid with Ave. Refinances	\$4,609.15	\$1,371.88	\$3,270.00	\$1,090.36
Refinances as Percent of Total Number of Loan Transactions	13%	68%	32%	73%

Overall Market Continues to Shrink; Installment Auto Title Loan Fees Increase

The total dollar value of new loans, fees, and refinances decreased by 16% from 2015 to 2016. During the same time period, new loans decreased by 20%, fees decreased by 18%, and refinances fell by 11%. The number of vehicles repossessed by auto title lenders decreased by 7%. The market share of loan products remained stable from 2015 to 2016. Installment lending continued to drive fees, comprising 71% of total fee charges in 2016, while making up just 30% of the total dollars lent in the market. From 2015 to 2016, the total dollar value of fees charges declined for every product except installment auto title lending. While the dollar value of new installment auto title loans increased by 3%, fees jumped by 19%.

